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Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF SECRETARY

In the Matter of	)	
	)	
AT&T Communications	)	CC Docket No. 94-120
Tariff F.C.C. Nos. 9 and 11	)	Transmittal No. 6788

COMMENTS OF AMERITECH ON AT&T'S DIRECT CASE

Ameritech<sup>1</sup> submits these comments generally supporting the proposed revisions to AT&T's Tariff F.C.C. Nos. 9 and 11 contained in its Transmittal No. 6788. By that transmittal, AT&T proposes to resell on a bundled basis the local transport entrance facility and direct trunked transport rate elements of local exchange carrier ("LEC") Feature Group A and Feature Group B access services.

In general, AT&T's proposal constitutes a reasonable approach to the transport rate structure changes brought about by the Commission's restructuring of local transport rates.<sup>2</sup> In the Transport Order, the Commission reconfigured local transport rates into four unbundled rate elements: entrance facilities, direct trunked transport, tandem switched transport and the interconnection charge. Flat-rate charges apply to entrance facilities and direct trunked transport, while usage sensitive charges apply to tandem switched transport. The interconnection charge is usage sensitive and is to be paid by all interstate access customers that interconnect with the LEC switched access network.

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<sup>1</sup> Ameritech means: Illinois Bell Telephone Company, Indiana Bell Telephone Company, Incorporated, Michigan Bell Telephone Company, The Ohio Bell Telephone Company, and Wisconsin Bell, Inc.

<sup>2</sup> In the Matter of Transport Rate Structure and Pricing, CC Docket No. 91-213, Report and Order and Further NPRM, FCC 92-442, 7 FCC Rcd. 7006 (released October 16, 1992).

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Further, the Commission addressed the application of the transport rate structure to Feature Group A services.<sup>3</sup> Specifically, the Commission directed LECs to apply flat-rate entrance facility charges to transport between the interexchange carrier ("IXC") POP and the LEC serving wire center ("SWC"). In addition, flat-rate direct trunked transport charge was to apply to any transport between the SWC and the dialtone office ("DTO").

Most Feature Group A customers require only voice grade facilities for their service needs. However, AT&T has a policy of accepting only DS1 (or higher capacity) connections at its POPs. While this decision certainly makes sense for AT&T from a business standpoint, it would be a problem for a LEC's Feature Group A customers to be billed for the entire DS1 connection to AT&T's POP. Absent "split billing" arrangements, which are costly and difficult to implement, many LECs bill the IXC for the dedicated entrance facility.

In these cases, it is completely reasonable to permit the IXC to recoup the costs of these dedicated facilities in its rates to its customers. Otherwise, Feature Group A customers would receive a windfall and IXCs would be unnecessarily penalized.

However, with respect to AT&T's decision to resell direct trunked transport and entrance facilities on a bundled basis only, Ameritech would question one of the assumptions that appears to be underlying AT&T's decision. In its direct case, AT&T states:

[T]he end user customers are no longer billed by the LEC for the flat-rated portion of any Feature Group A or B access services they obtain. (Emphasis added.)<sup>4</sup>

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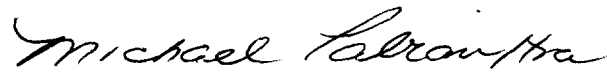
<sup>3</sup> In the Matter of Transport Rate Structure and Pricing, CC Docket No. 91-213, First Memorandum Opinion and Order on Reconsideration, FCC 93-366, 8 FCC Rcd, 5370 (released July 21, 1993).

<sup>4</sup> AT&T Direct Case at 2.

In the case of Ameritech, this is not always true. Depending on how the facility from the DTO to the IXC POP is configured, direct trunked transport between the DTO and the SWC may be billed directly to the FGA customer. It would appear that AT&T's proposed tariff would preclude continuation of this arrangement. If Ameritech understands AT&T's proposal correctly, the customer would be precluded from obtaining direct trunked transport from the LEC and entrance facilities on a resold basis from AT&T. In other words, if the customer wished to continue to obtain direct trunked transport from the LEC, it would have to incur the expense of a separate DS1 entrance facility from either the LEC or a competitive access provider. Because of this, it may be beneficial to afford customers the opportunity to purchase resold entrance facility "service" from AT&T on an unbundled basis.

In all other respects, however, AT&T's proposal is reasonable and should be permitted to take effect.

Respectfully submitted,



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Dated: November 10, 1994

CERTIFICATE OF SERVICE

I, Deborah L. Thrower do hereby certify that a copy of the foregoing Comments of Ameritech on AT&T's Direct Case has been served on the parties listed below, by first class mail, postage prepaid, on this 10th day of November 1994.

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